



DFAS-HQ/FMM

DEFENSE FINANCE AND ACCOUNTING SERVICE

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OCT 14 1999

MEMORANDUM FOR DIRECTOR DEFENSE FINANCE AND ACCOUNTING SERVICE,
CLEVELAND CENTER
DIRECTOR DEFENSE FINANCE AND ACCOUNTING SERVICE,
DENVER CENTER
DIRECTOR DEFENSE FINANCE AND ACCOUNTING SERVICE,
INDIANAPOLIS CENTER
DIRECTOR DEFENSE FINANCE AND ACCOUNTING SERVICE,
KANSAS CITY CENTER

SUBJECT: Change to the DoDFMR, Volume 7A, Regarding
Effect on Bonuses from Death of a Member,
(DFAS Item I-33)

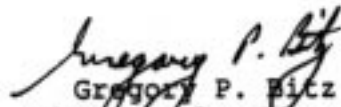
Attached is DFAS Interim Change 37-99 to Chapters 5, 6, 9,
and 20 of the DoDFMR, Volume 7A.

The purpose of this change is to establish parity with
regard to the payment of outstanding bonus obligations upon death
of enlisted and officer members. This change also clarifies the
payment policy with regard to death determined to be the result
of a member's own misconduct. This change was effective
June 29, 1999

We have evaluated your comments on the draft proposal of
this change to the DoDFMR, Volume 7A. The attached final version
of the change incorporates your comments where appropriate.

Assignment of an interim change number is your authority to
start a procedural modification to facilitate this change. For
the Denver Center, use the attached to initiate the formal
printed change to the DoDFMR and the interim change message.

Our point of contact, Mr. Gary McGee, may be contacted at
332-5280 or at (703) 602-5280.


Gregory P. Fitz
Director for Finance

Attachment:
As stated

cc: DASD (MPP) (Comp)
OUSD (C) ODCFO (FC)
ODGC (F)
DFAS-DE/DG
Service Liaisons
USCG/NOAA/PHS Liaisons
MPMPO

EFFECT ON BONUSES FROM DEATH OF MEMBER

1. Use the following standard paragraph to establish payment procedures for unpaid bonus balances in the event of death of a member. The paragraph is to be added to affected chapters of the DoD Financial Management Regulation; Volume 7A as set forth below.

" If a member dies before receiving the full amount of the bonus due (including contracted future year anniversary payments) and death is not caused by the member's misconduct, the remaining unpaid bonus balance is payable as a lump sum for inclusion in the settlement of the deceased member's final military pay account. If death is determined to be the result of the member's own misconduct, termination of future payments and proration or recoupment of the bonus, as applicable, will be made in accordance with procedures established for members whose inability to complete a contracted period of service is voluntary or the result of misconduct."

2. In Chapter 5, add a new paragraph numbered 050805D using the wording from the paragraph in number 1 above.

3. In Chapter 6, take the existing text under paragraph 060805 and renumber it as 060805A. Add a new paragraph numbered 060805B using the wording from the paragraph in number 1 above.

4. In Chapter 9, replace existing subparagraphs 090106B and 090205A with the wording from the paragraph number 1 above.

5. In Chapter 12, add a new paragraph 120203E using the wording from the paragraph in number 1 above.

6. In Chapter 20, add a new paragraph 200403 using the wording from the paragraph in number 1 above.

7. In Chapter 36, replace existing subparagraph 360201D with the wording from the paragraph in number 1 above.

8. Add the following citation to the bibliography under the entries for each of the new paragraphs:

ASD(FMP) Memo, 29 Jun 1999